



Department of Public Health and Human Services

Senior and Long Term Care Division ♦ 2030 11th Ave., PO Box 4210 ♦ Helena, MT 59604-4210
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Steve Bullock, Governor

Richard H. Opper, Director

July 24, 2015

TO: Community First Choice/Personal Assistance Service Providers
HCSB Waiver- Homemaker, Respite and Specially Trained Attendant Providers

FROM: Abby Holm, Program Manager
Community Services Bureau

RE: Fiscal Year 2016 Direct Care Worker Wage Initiative

The 2015 Montana Legislature approved funding in House Bill 2 for a wage initiative/bonus funding for direct care workers for state Fiscal Year (FY) 2016. Additionally, the 64th Montana Legislature appropriated additional funding that will provide up to a 25 cent hourly increase in combined wages and benefits in FY 2016. The Community Services Bureau was allocated ongoing funding for a total of **\$968,564** and additional funding of **\$698,130; which** equals total funding of **\$1,666,694**. The wage initiative for direct care workers will go into effect on July 1, 2015 and funding will be distributed in two phases with the first phase distribution to occur between August-December 2015 and the second phase distribution to occur between January-June 2016. The exact dates of the distribution are based on the information a provider agency documents in their application as their intended distribution date to direct care workers.

Attached to this letter are the following documents:

- An application with instructions explaining the process for direct care wage funding;
- Two forms (Part A&B) to report how the provider agency will distribute the funds to direct care workers;
 - Provider agencies *have the option to use the funding in either or both forms of distribution to its workers (i.e. as a bonus payment and/or wage increase).*
 - *Providers that used their FY 2015 direct care worker funding to fund a wage increase, rather than for a bonus distribution, will have the opportunity to sustain the wage increase using their FY 2016 funding. The provider agency must provide the supporting documentation that the FY 2015 wage increase is sustained in FY 2016.*
 - *An agency's portion of the new funding (approximately 25 cent hourly increase in combined wages and benefits) may be used for an increase in wages or to provide bonus payments to workers. This increase will need to be documented separately from the ongoing wage distribution, if applicable.*
- A required Direct Care Worker Supplemental form; and
- The Direct Care Worker Distribution Summary spreadsheet for FY 2016.

A provider agency that does not return the application or does not wish to participate in this funding will not be entitled to their share of the funds available for wage increases or bonus payments for direct care workers in this fiscal year. Please refer to the attached spreadsheet for the total annual distribution and the amount every provider agency will receive in two disbursements as part of the FY 2016 direct care wage initiative funding.

The attached application must be completed and returned with the appropriate signature, along with Part A & B and the Supplemental Form by the deadline provided in this letter. Please read the application's explanation and instructions for completing the forms provided. Once the application and forms are received, the Department will issue the provider agency an approval letter. A provider agency is required to implement the wage initiative in a timely manner and provide its workers with funds in the form of wages and/or bonuses as identified in the application and forms that were submitted.

Please return your completed application and forms by **August 7, 2015**, to the address below.

DPHHS-SLTC – Direct Care Wage Initiative
COMMUNITY SERVICES BUREAU
PO Box 4210
Helena, MT 59604-4210

The Department has scheduled a WebEx training session on the Direct Care Wage Initiative application process. The WebEx is scheduled for Thursday, July 30th from 2:30-3:30. To register for this training please email your name, agency name, and email address to: abholm@mt.gov

Please contact Abby Holm at (406) 444-4564 or Micky Brown at (406) 444-6064 if you have specific questions concerning the direct care wage initiative or the applicable forms.